Covering Data Centers under
Package Scheme of Incentives-2013

Government of Maharashtra
Industries, Energy and Labour Department
Government Corrigendum No. PSI-2016/C.R.172/Ind-8
Mantralaya, Madam Cama Road,
Hutatma Rajguru Chowk,
Mumbai – 400 032.
Date: 16th September, 2016

Read :

1) **Government Resolution of Industries, Energy and Labour Department No. PSI-2013/C.R.54/Ind-8, Dated 01/04/2013.**
2) **The Minutes of Meeting of Cabinet Sub Committee held on 02/08/2016.**
3) **The Minutes of High Power Committee held on 26/05/2016.**

PREAMBLE:

The state has announced its IT / ITES Policy 2015 vide GR dated 25.8.2015. In this policy incentives have been announced for Data Centers. The emphasis has been given on setting up Data Centers considering the interest shown by domestic and foreign investors for setting up their shop in India.

Currently, the servers of most of the reputed service providers are based out of the country. The ever increasing rise in the use of internet in the country for dissemination of information, data and like uses, a need for basing the servers in the country is very much essential as that will reduce the internet access time and will increase the speed of access to the data.

Government of Maharashtra is keen to promote Data Centers with special focus on Mumbai. The vision is to position Mumbai as the Data Center Hub not only for India but also for Asia Pacific region.

Mumbai with its highly reliable power supply, large number of under-sea cables landing into Mumbai and availability of trained technical manpower is rightly poised to become APACs hub thus encouraging investment, both Indian and Foreign, which will global companies and service providers to bring their servers hosted outside India into Mumbai. Considering this fact to attract data service center providers in Maharashtra, Government has decided to cover data centers under Package Scheme of Incentives - 2013 and given incentives.

Hence it is necessary to amend Package Scheme of Incentives 2013 as follow.

CORRIGENDUM:

To cover data centers under Package Scheme of Incentives, para 1.2 (iii) in Government Resolution dated 01/04/2013, No. PSI 2013/C.R. 54/Ind-8 is amended and replaced as follows:

> "1.2 (iii) Information Technology Manufacturing Units and Data Centers registered with the Directorate of Industries or the Maharashtra Industrial Development Corporation (MIDC)or the Development Commissioner, Santacruz Electronic Export processing Zone (SEEPZ) or software Technology parks of India (STPI) in the state."

To give Additional Incentives to Large Data Centers Para 4.11 is added as follows:-

4.11 Incentives for Large Data Centers :-

A basket of incentives totalling 100% Fixed Capital Investment made by the applicant unit over the investment period of 5 years to data Centers fitting above investment criteria and assets shall comprise of :-

a) Stamp Duty Exemption for purchasing of land / premises for setting up the unit and for obtaining term loan for the projects in all zones.

b) Electricity Duty Exemption over the investment period.

c) Refund of Octroi/LBT Entry Tax / Escorts Tax or other cess or any tax levied in view of these for import of capital goods and raw material for self-consumption refund (if exemption is not granted by the local body) over the investment period of from the date of acquisition of first capital good at unit site.

d) VAT refund over the investment period from the date of acquisition of first capital good at unit site.

e) The incentives for the New Data Centers having minimum investment of Rs.1500 crores will be given when the unit has completed investment of Rs. 250 crores.

f) The investments in the New Data Center as also co-location in existing data centers in the state shall be eligible for incentives within the investment period.

g) The investments in data centers will not include any investment on land or building but will only cover investment in servers and other plant and machinery in the name of the entity (Including co-location).

h) The operative period for the beneficiary data center shall be 10 years from the date of commencement of operation of the data center.

If, the data center takes up expansion program of minimum Rs. 375 Crore invested over a period of 2 years, 75% of the fixed capital investment shall be available in form of basket of incentives as indicated at (a) to (d) above.

The above incentives shall be applicable to all data centers established from dated 01/04/2016.

This Government resolution is issued as per approval given by Cabinet Subcommittee Meeting dated 02/08/2016.

This Government corrigendum of Maharashtra Government is available at the website www.maharashtra.gov.in Reference no. for this is 201609161300085910. This order has been signed digitally.

By order and in the name of the Governor of Maharashtra.

KOCHAREKAR SHRADDHA DEVEN

Digitally signed by KOCHAREKAR SHRADDHA DEVEN
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(Shraddha Kocharekar)
Under Secretary to Government of Maharashtra

To,

1) Principal Secretary to Hon'ble Governor of Maharashtra.
2) Principal Secretary to Hon'ble Chief Minister of Maharashtra.
3) Private Secretary to Hon'ble Minister (Industries).
4) Private Secretary to Hon'ble State Minister (Industries).
5) All Private Secretary to all Hon'ble Minister and state Minister.
6) Private Secretary to Hon'ble Leader of Opposition, Maharashtra Legislature Assembly, Vidhan bhavan, Mumbai.

7) Hon'ble Chief Secretary of Maharashtra.
8) All Additional Chief Secretaries/Principal Secretaries/ Secretaries to the Governor of Maharashtra
9) Divisional Commissioner, Konkan Division/Aurangabad Division/Pune Division /Nasik Division/Amravati Division/ Nagpur Division.
10) Development Commissioner (Industries) Directorate of Industry, Mumbai.
11) Commissioner of Sales Tax, Mazgaon, Mumbai.
12) Chief Executive Officer, Maharashtra Industrial Development Corporation, Mumbai.
13) All Collectors
14) All Joint Directors of Industries.
15) All Desk Officers in the Industries, Energy and Labour Department.
16) All General Managers, District Industries Centers.
17) The Accountant General, Maharashtra-1, Mumbai.
18) The Accountant General, Maharashtra-11, Nagpur.
19) The Pay and Accounts Officer, Mumbai.
20) The Resident and Audit Officer, Mumbai.
21) Select file, Industry-8.